

**AMERICAN ARBITRATION ASSOCIATION
LABOR ARBITRATION RULES**

To institute proceedings, please send three copies of this demand and the arbitration agreement, with the filing fee as provided in the rules, to the AAA. Send the original demand to the respondent.

DEMAND FOR ARBITRATION

DATE: January 9, 2008

To: Name of the Employer Vista Nuevas
Address 120 Parsons
City and State Detroit MI 48201
Telephone (313) 831-1000 ext. 15 Fax

Name of Representative Dr. Marcella Wilson, Executive Director / CEO
Representative's Address Same As Above
City and State
Telephone Fax

The named claimant, a party to an arbitration agreement contained in a written contract, dated, Effective 2006 and provided for arbitration under the Labor Arbitration Rules of the American Arbitration Association, hereby demands arbitration thereunder.

THE NAME OF THE GRIEVANT: A18384-1640-08 / Class Action

THE NATURE OF THE DISPUTE: Employee Benefits - Insurance

THE CLAIM OR RELIEF SOUGHT: (the Amount, if Any) Provide Medical Insurance for all VNHS Employees during summer recessHEARING LOCALE REQUESTED: Employer's Place of Business

You are hereby notified that copies of our arbitration agreement and of this demand are being filed with the American Arbitration Association at its Southfield, Michigan office, with the request that it commence administration of the arbitration. Under the rules, you may file an answering statement after notice from the administrator.

Signed: Jo Ann Miller Title: Support Staff, Arbitration Department (may be signed by a representative)

Name of Claiming Union or Employer Michigan Council 25 AFSCME
Address (to be used in connection with this case) 1034 N. Washington
City and State Lansing, Michigan Zip Code 48906
Telephone (517) 487-5081 Fax (517) 487-3970
Name of Representative Same As Above
Representative's Address Zip Code
City and State
Telephone () Fax ()

MEDIATION is a nonbinding process. The mediator assists the parties in working out a solution that is acceptable to them. If you wish for the AAA to contact the other parties to ascertain whether they wish to mediate this matter, please check this box (there is no additional administrative fee for this service).

FEB. 15. 2008 11:55AM

AMERICAN ARBITRATION ASSOC.

NO. 1757 P. 2/3



American Arbitration Association
Dispute Resolution Services Worldwide

Michigan Labor Center

February 15, 2008

American Center Building, Suite 1150, 27777 Franklin Road, Southfield, MI 48034-8208
telephone: 800-891-4741 facsimile: 248-352-3147
Internet: <http://www.adr.org/>

Jo-Ann Miller
Michigan Council 25, AFSCME
1034 N. Washington Ave.
Lansing, MI 48906

Peter Franklin
Vista Nuevas
120 Parsons
Detroit, MI 48201

Re: 54 390 00043 08
Michigan Council 25, AFSCME
and
Vista Nuevas

Grievances: A18384-1640-08/class Action/Employee Benefits/Insurance

Dear Parties:

This is to advise the parties that George T. Roumell Jr. has been appointed Arbitrator in the above-captioned matter. The Arbitrator has agreed that for this arbitration the per diem for each day of hearing or part thereof, and for all time devoted to considering evidence and the preparation of the Award and Opinion is at the rate stated on the enclosed resume. This Arbitrator's cancellation policy is also described in the resume.

The Arbitrator is offering September 12, 2008 for a hearing date.

The parties are requested to advise the undersigned immediately of their availability on said date(s). Absent a response by February 25, 2008, we will assume the date(s) to be satisfactory and a formal Notice of Hearing will be forwarded promptly.

Very truly yours,

Monica F. Martin-Tyler
Case Manager
248 352 5500
tylerm@adr.org

cc: George T. Roumell Jr., Esq.

02/28/2008
Americ#534
atration 2/27/2008 2:02 PM

MATRIX HUMAN SERVICES

PAGE 2/002 Fax Server

PAGE 03



American Arbitration Association

Dispute Resolution Services Worldwide

Michigan Labor Center

Roume II
Cabra

February 27, 2008

American Center Building, Suite 1150, 27777 Franklin Road, Southfield, MI 48034-8208
telephone: 800-891-4741 facsimile: 248-352-3147
internet: <http://www.adr.org/>Jo-Ann Miller
Michigan Council 25, AFSCME
1034 N. Washington Ave.
Lansing, MI 48906Peter Franklin
Vista Nuevas
120 Parsons
Detroit, MI 48201Re: 54 390 00043 08
Michigan Council 25, AFSCME
and
Vista Nuevas

Grievances: A18384-1640-08/class Action/Employee Benefits/Insurance

Dear Parties:

~~This will confirm a request from the union~~ to hold the above matter in abeyance pending completion of an internal review process.

Absent objections from Mr. Franklin, on or before March 7, 2008, we will suspend administration of this matter, pending further review by the union.

Thank you for your cooperation.

Very truly yours,

Monica F. Martin-Tyler
Case Manager
248 352 5500
tylerm@adr.org

LAW OFFICES OF ROBERT E. DAY, P.C.

~~300 River Place-Suite 5600~~
Detroit, Michigan 48207
Phone: (313) 259-1500
Fax: (313) 259-1605; (313) 259-1607

Robert E. Day

March 10, 2008

SENT VIA FACSIMILE AND U.S. MAIL

Michigan AFSCME Council #25
600 West Lafayette Boulevard
Suite No. 500
Detroit, Michigan 48226

Attn: Sarah M. George, Esq.-Staff Representative

Re: Layoff Dates 2008/Meeting March 4, 2008

Dear Ms. George:

We appreciated our opportunity to meet with the Committee. One of the first agenda items was a request, with which we concurred, that at the earliest possible date, the Employer make known and confirm the date at which time the ten-month school year employees will be laid off. Debra Spring informed those present, contrary to rumors circulating at some centers, that the date is set for June 8th and it has not been subject to change.

However, there can be an unanticipated intervening hiccup. Back on May 23, 2006, Debra Spring, Dr. Wilson, Audrey Gulley, Herb Sanders and Juanita Banks were all informed that on May 11th the City of Detroit Department of Human Services, imposed unilaterally an immediate one percent (1%) drop in funding onto all discretionary programs being funded, including the Head Start grant. This was evidenced by a document presented at Bargaining Session #8 at a time that we were trying to negotiate a successor Collective Bargaining Agreement which explains the notation Exhibit #2 at Session #8. That document is being attached to this letter. The significance of my point is the Employer remains subject to unforeseen circumstances such as funding reductions mandated from the Grantor, or the Grantee, and there is nothing any of us can do about it. Failing that, the COBRA notices will issue and the last day of work in 2008 will be June 8th and the profile that we are facing is the same as was faced in 2003.

You may use this letter for any purpose necessary. To that end, a copy is being provided to Betty Billups as well as other client representatives. Again, we appreciated the professionalism and

LAW OFFICES ROBERT E. DAY, P.C.

Michigan AFSCME Council #25; Attn: Sarah M. George, Esq.-Staff Representative
March 10, 2008

Page 2

Re: Layoff Dates 2008/Meeting March 4, 2008

the speed in which we were able to handle the various issues of concern possessed by the unit and submitted to you for discussion and clarification with the Employer.

Very truly yours,

LAW OFFICES OF ROBERT E. DAY, P.C.



Robert E. Day
Direct Dial No.: (313) 259-1770

RED/lis

Enclosures

cc: Peter Franklin, Chief Financial Officer w/enclosures
Teresa Williams-Johnson w/enclosures
Debra Spring, Director-Vistas Nuevas Head Start w/enclosures

CITY OF DETROIT
DEPARTMENT OF HUMAN SERVICES

RECEIVED

BY:

5031 GRANDY AVENUE
DETROIT, MICHIGAN 48202
PHONE 313-852-5609
FAX 313-852-4837
WWW.CITYOFDETROIT.MI.US

May 11, 2006

MAY 16 2006

VISTAS NUEVAS
HEAD START

Debra Spring, Executive Director
Vistas Nuevas Head Start
2051 Rosa Parks Blvd., Ste. 1K
Detroit, MI 48216

Dear Ms. Spring:

On January 31, 2006 the Administration for Children and Families (ACF) issued a Program Instruction on the one (1) percent reduction in the base funding level of all Head Start grantees. This reduction is being implemented because of the requirements of Public Law 109-149, which mandated a one (1) percent recession in virtually all-discretionary programs (excerpt Head Start Information Memorandum ACYF-IM-HS-06-03). The City of Detroit also received a reduction of 1,415 enrollment slots. This enrollment reduction may also affect your delegate program base funding level. The attached form outlines the reduction for your delegate program. Additional reduction has been made utilizing information obtained from our recent community assessment including trend and forecasting also the need for additional full-day program options.

The one (1) percent reduction and the 1,415 reduction packages are due to the Grantee office no later than May 17, 2006. It is equally important that along with your reduction package that your Policy Committee approval form be included as well as your 424A form. It is necessary that deadline submission dates be met so that Policy Council approval is obtained for timely submission of our package.

If you have questions regarding the completion of your reduction package you may contact Maheshkumar Patel at 313.887.1044 or Wayne Pierre at 313.887.1039.

Sincerely,

Virginia B. Saleem

Virginia B. Saleem, Director
Child Development Division

VBS/hm

Enclosure

xc: Shenetta Coleman / Garland Doyle
Sandra Burns / Nichelle Boyd-Ernst
Wayne Pierre / Maheshkumar Patel
Policy Council Chairperson
Judith E. Caliman / Kathleen M. Newmann

J:\Reductions.05.11.06.doc

KWAME M. KILPATRICK, MAYOR

612 #8

Attachment

Matrix Human Services Head Start Funding 2006			
Current Enrollment		1,370	
Served Until 09/01/06		-	
Reduced Enrollment		1,370	
Program	Detail	Vistas Nuevas	
PA 22 - Program	Initial Funding	\$ 8,691,922	\$ 8,371,746
	Less: 1% Reduction	(86,919)	
	Less: Adjustment	(233,257)	
PA 20 - T/TA	Initial Funding	41,268	41,268
	Less: Reduction	-	
Total Funding			\$ 8,413,014

2006/2007

Page 1 of 16

EXHIBIT B
CITY OF DETROIT, DEPARTMENT OF HUMAN SERVICES
Budget, Part 1- A Summary
Beginning Date: November 1, 2006 Ending Date: October 31, 2007

PA22 PROGRAM SERVICES Code: 05CH0113
VISTAS NUEVAS HEAD START
a division of
Matrix Human Services
120 Parsons
Detroit, Michigan 48201

Budget Cost Category	Total Budget Cost	Federal Other Sources (USDA)	Non-Federal Other Sources	HHS Share
(A) PERSONNEL	\$ 6,290,487	\$ -	\$ 1,536,860	4,753,627
(B) FRINGE BENEFITS	1,642,682	-	430,321	1,212,361
(C) OUT OF TOWN TRAVEL	12,355	-	-	12,355
(D) EQUIPMENT	-	-	-	-
(E) SUPPLIES				
OFFICE/CLASSROOM SUPPLIES	416,113	-	342,308	73,805
FOOD/USDA/NON-USDA	502,000	500,000	-	2,000
OFFICE MACHINES	25,000	-	-	25,000
AUTO	22,315	-	-	22,315
(F) CONTRACTUAL	-	-	-	-
(G) CONSTRUCTION	-	-	-	-
(H) OTHER				
OCCUPANCY	1,399,027	-	310,468	1,088,559
STAFF LOCAL TRAVEL	24,730	-	-	24,730
CHILD TRAVEL	31,500	-	-	31,500
CHILD SERVICES	25,000	-	-	25,000
PARENT SERVICES	66,020	-	-	66,020
TITA	30,000	-	-	30,000
OTHER	3,000	-	-	3,000
TEACHERS QUALIFICATIONS	28,600	-	-	28,600
Sub-Totals	\$ 10,518,829	\$ 500,000	\$ 2,619,957	\$ 7,398,872
TOTAL BUDGET	\$ 10,518,829	\$ 500,000	\$ 2,619,957	\$ 7,398,872

Note this draft is over by \$ 278,399 (w/1% reduction)
over by \$ 365,318 (\$86,919)
does not include adjustment as proposed by DHS

AMERICAN ARBITRATION ASSOCIATION
Notice of Hearing

April 3, 2008

Jo-Ann Miller
Michigan Council 25, AFSCME
1034 N. Washington Ave.
Lansing, MI 48906

Robert E. Day
Law Offices of Robert E. Day, P.C.
300 River Place
Suite No. 5600
Detroit, MI 48207-4291

Re: 54 390 00043 08
Michigan Council 25, AFSCME
and
Vista Nuevas

Grievances: A18384-1640-08/class Action/Employee Benefits/Insurance

PLEASE TAKE NOTICE that a hearing in the above-entitled arbitration will be held as follows:

Place: Vista Nuevas
120 Parsons
Detroit, MI 48201

Date: October 29, 2008
Time: 10:00 AM
Before: George T. Rournell Jr.

NOTE:

Please attend promptly with your witnesses and be prepared to present your proofs.

Monica F. Martin-Tyler
Case Manager
248 352 5500
tylerm@adr.org

NOTICE: The arbitrator(s) have arranged their schedule and reserved the above date(s) based on the advice of the parties. Therefore, every effort should be made to appear on the date(s) scheduled. In the event that unforeseen circumstances make it impossible to attend the hearing as scheduled, a party requesting a postponement should obtain the agreement of the other party. If there is no mutual agreement, the arbitrator(s) will make a determination. All requests for postponements must be communicated to the Case Manager not the arbitrator. There should be no communication between the parties and the neutral arbitrator(s) other than at oral hearings. In some instances, postponements are subject to cancellation fees by the arbitrator(s). Any party wishing a stenographic record must make arrangements directly with the stenographer and notify the other parties in advance of the hearings.

cc: George T. Rournell Jr., Esq.

LAW OFFICES OF ROBERT E. DAY, P.C.

300 River Place-Suite 5600
Detroit, Michigan 48207
Phone: (313) 259-1500
Fax: (313) 259-1605; (313) 259-1607

Robert E. Day

March 31, 2008

SENT VIA FACSIMILE (248) 352-3147
& E-MAIL (tylerm@adr.org@adr.org)

Monica F. Martin-Tyler, Case Manager
American Arbitration Association
American Center Building-27777 Franklin Road- Suite 1150
Southfield, Michigan 48034-8208

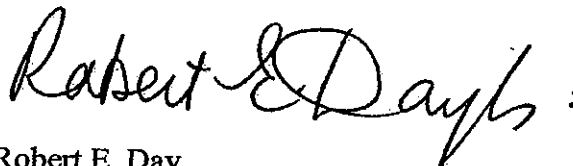
Re: AAA Case #54-390-00043-08; Class Action/Employee Benefits Insurance

Dear Ms. Martin-Tyler:

I am in receipt of your fax dated March 20, 2008 proposing an October 29, 2008 hearing date for the captioned matter. Please be advised that October 29, 2008 is an acceptable date to the Employer and the undersigned.

Very truly yours,

LAW OFFICES OF ROBERT E. DAY, P.C.



Robert E. Day
Direct Dial No.: (313) 259-1770

RED/ls

cc: Peter Franklin, CFO
Teresa Williams-Johnson, Human Resources Director-Matrix Human Services
Debra Spring, Division Director-Vistas Nuevas Head Start

Robert Day

From: Tina Geller [tgeller@miafscme.org]
Sent: Wednesday, May 28, 2008 4:05 PM
To: 'Monica Martin-Tyler'
Cc: Robert Day; dgarder@miafscme.org
Subject: 54 390 00043 08/A18384-1640-08/Employee Benefits-Insurance

Dear Monica,

Due to the circumstances of the above case, the Union is requesting that you check into seeing if we may get this matter scheduled at an earlier date, as early as possible. As of right now we are scheduled for October 29, 2008 before Arbitrator George Roumell.

Thank you for your help in this matter.

Tina Geller, Support Staff
Arbitration Department
Michigan AFSCME Council 25
1034 North Washington Ave
Lansing, Michigan 48906
(517) 487-5081 Fax (517) 487-3970
tgeller@miafscme.org

6/9/2008



American Arbitration Association
Dispute Resolution Services Worldwide

Michigan Labor Center

June 3, 2008

American Center Building, Suite 1150, 27777 Franklin Road, Southfield, MI 48034-8208
telephone: 800-891-4741 facsimile: 248-352-3147
internet: <http://www.adr.org/>

Jo-Ann Miller
Michigan Council 25, AFSCME
1034 N. Washington Ave.
Lansing, MI 48906

Robert E. Day
Law Offices of Robert E. Day, P.C.
300 River Place
Suite No. 5600
Detroit, MI 48207-4291

Re: 54 390 00043 08
Michigan Council 25, AFSCME
and
Vista Nuevas

Grievances: A18384-1640-08/class Action/Employee Benefits/Insurance

Dear Parties:

This will confirm acknowledge receipt of a letter date June 2, 2008, from Mr. Day, a copy of which is attached.

At this time, we request the comments of the union, with respect to Mr. Day's above mentioned letter.

Thank you for your cooperation.

Very truly yours,

Monica F. Martin-Tyler
Case Manager
248 352 5500
tylerm@adr.org

*** TX REPORT ***

TRANSMISSION OK

TX/RX NO 4301
RECIPIENT ADDRESS 12483523147
DESTINATION ID
ST. TIME 06/02 15:37
TIME USE 00'29
PAGES SENT 3
RESULT OK

LAW OFFICES OF ROBERT E. DAY, P.C.

300 River Place-Suite 5600
Detroit, Michigan 48207-5070
Phone: (313) 259-1500
Fax: (313) 259-1605; (313) 259-1607

IMPORTANT NOTICE: This facsimile transmission is intended to be delivered only to the named addressee, and may contain material that is confidential, proprietary or subject to legal protection or privilege. If it is received by anyone other than the named addressee, the recipient should immediately notify the sender at the address and telephone number set forth herein and obtain instructions as to the disposal of the transmitted material. In no event should such material be read or retained by anyone other than the named addressee, except by express authority of the sender or the named addressee.

TO: American Arbitration Association
Attn: Monica F. Martin-Tyler, Case Manager

FROM: Robert E. Day, Esq. 

DATE: June 2, 2008

FAX #: (248) 352-3147

Pages, including coversheet: 3

COMMENTS: *Re: AAA Case #54-390-00043-08; Class Action/Employee Benefits Insurance*

FAX OPERATOR: Linda S. Schaub, Secretary to Robert E. Day, Esq.
Direct dial no.: (313) 259-1815
E-mail address: girlfriday@rdaypc.com

LAW OFFICES OF ROBERT E. DAY, P.C.

300 River Place-Suite 5600
Detroit, Michigan 48207
Phone: (313) 259-1500
Fax: (313) 259-1605; (313) 259-1607

Robert E. Day

June 2, 2008

SENT VIA FACSIMILE (248) 352-3147

& E-MAIL (tylerm@adr.org@adr.org)

Monica F. Martin-Tyler, Case Manager
American Arbitration Association
American Center Building-27777 Franklin Road- Suite 1150
Southfield, Michigan 48034-8208

Re: **AAA Case #54-390-00043-08; Class Action/Employee Benefits Insurance**

Dear Ms. Martin-Tyler:

The Employer writes to oppose a change in the set hearing date. Aside from the havoc that would be caused in rescheduling a hearing, there are important factors besides cost and inconvenience that weigh against moving the hearing forward. On February 15, 2008, Arbitrator George T. Roumell accepted the appointment by the American Arbitration Association. This was after the parties were unable to agree on an original Arbitrator list. Thus, there is no purposeful delay in that regard to either the Employer or the Union.

This Arbitrator's first offering was September 12, 2008. Before the parties could comment on that offer, AFSCME, on February 27th or thereabouts, requested that this matter be held in abeyance "pending completion of an internal review process". The matter indeed was suspended until on or about March 20, 2008, at which time it was unsuspended and new dates were solicited. On March 20, 2008, the American Arbitration Association formally advised the Employer of the Union's wish to proceed to arbitration. From that point, the Arbitrator offered October 29, 2008 for a hearing date. On April 3, 2008, a Notice of Hearing issued for October 29, 2008 before George Roumell, Esq.

From April 2, 2008 until May 28, 2008 the parties have proceeded on a course of conduct to an arbitration hearing October 29, 2008.

The Employer is not willing to open the can of worms looking for available dates, dodging the summer recess, summer vacations, other scheduling conflicts, including by this writer. Indeed, much of the period in between is tied up with various issues advanced by the Union party to the contract including an arbitration involving a discharge on October 3, 2008. Thus it would be inappropriate to even open the dialogue of rescheduling a hearing on or before the 29th of 2008.

LAW OFFICES OF ROBERT E. DAY, P.C.

Monica F. Martin-Tyler, Case Manager
c/o American Arbitration Association

June 2, 2008

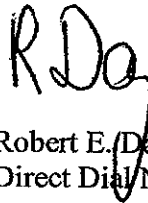
Page 2

Re: AAA Case #54-390-00043-08; Class Action/Employee Benefits Insurance

If the Union desires to negotiate some resolution of this matter beforehand, I stand prepared to do so.

Very truly yours,

LAW OFFICES OF ROBERT E. DAY, P.C.



Robert E. Day
Direct Dial No.: (313) 259-1770

RED/ls

cc: Peter Franklin, Chief Financial Office-Matrix Human Services
Teresa Williams-Johnson, Human Resources Director-Matrix Human Services
Debra Spring, Division Director-Vistas Nuevas Head Start